

**CITY OF NORTH MIAMI**  
**STATE HOUSING INITIATIVES PARTNERSHIP**  
**REHABILITATION LOAN AGREEMENT**

**THIS AGREEMENT** is entered into this 13 day of **June 2014**, by and among the following **ANA C. DURAN and FLORA GUTKIN**, owner of the subject property; the **CITY OF NORTH MIAMI** (City), a Florida municipal corporation, having its principal office at 776 N.E. 125<sup>th</sup> Street, North Miami, Florida 33161; and **SOLUTIONS CAPITAL GROUP, INC.**, whose principal business address is **666 NE 125 STREET, #243, North Miami, Florida 33161**, regarding rehabilitation of the real property legally described as:

**Lot 7, in Block 5, of OVERBROOK SHORES NO.2, according to the Plat thereof, as Recorded in Plat Book 50, Page 31, of the Public Records of Miami-Dade County, Florida a/k/a 85 N.W. 123 Street, North Miami, Florida 33168 (subject property)**

**WITNESSETH:**

**WHEREAS**, the Florida Legislature created the State Housing Initiatives Partnership (SHIP) Program to provide funds to local governments for the creation of local housing partnerships, the expansion, production and preservation of affordable housing for very-low, low and moderate income persons, and to increase housing-related employment; and

**WHEREAS**, the City has established a local Housing Assistance Program (Program) to provide assistance to eligible homeowners within the City for the purpose of purchasing or rehabilitating property (Project), in accordance with the SHIP Program specifically described in Chapter 420, Florida Statutes and Chapter 67-37, Florida Administrative Code; and

**WHEREAS**, the Owner has agreed to the Project in accordance with Program specifications; and

**WHEREAS**, this Agreement is entered into after compliance by the Parties with all applicable provisions of federal, state, and local laws, statutes, rules and regulations.

**NOW, THEREFORE**, in consideration of the mutual promises and the money, which the City will pay, which consideration is acknowledged by the Parties, the Parties agree as follows:

1. SHIP funds in the amount of **\$24,150.00** are being utilized in this real estate transaction for the purpose of rehabilitating the subject property.
2. The Specifications & Proposal (Contract Documents) related to the Project, attached as Composite Exhibit "A", (as amended from time to time), represent the scope of services and responsibilities of the Parties under the Program, and the Parties agree to abide by and comply with their respective roles and responsibilities.

3. The City has the sole responsibility and obligation of interpreting the intent and purpose of the Program and Contract Documents.
4. The Project shall be performed in accordance with the applicable codes, ordinances and statutes of the City, Miami-Dade County, and the State of Florida.
5. The Owner agrees to maintain the property in good condition after the Project is completed. If the property is located in a Federal Emergency Management Act 100-year flood plain zone, the Owner must have an active flood insurance policy.
6. The Parties acknowledge and agree that funds provided derive from SHIP Program funds appropriated to the City by the Florida Department of Community Affairs for the uses and purposes referred to in this Agreement.
7. The Owner acknowledges that the property is a primary residence, and agrees to continually occupy the property as a primary residence for a period of 7 years from this Agreement's execution.
8. It is agreed and understood that SHIP Program funds provided to the Owner in order to rehabilitate the subject property constitute an indebtedness to be secured by a non-interest bearing Note and Mortgage, unless there is a default. Further, the Parties agree that the indebtedness shall be partially forgiven in the amount of **\$3,450.00** each year over a 7-year period, until fully forgiven.
9. If any interest in the property is sold, assigned, subleased, conveyed or transferred, or the Note and Mortgage created by this Agreement is subordinated, whether voluntarily or involuntarily, including bankruptcy or foreclosure, within seven (7) years of this Agreement's execution, such an event shall be considered a default unless the property owner agrees to re-pay the remaining balance prior to such event. The indebtedness shall be payable at a rate of four percent (4%) simple interest per year on the remaining principal amount. Any person or entity, who, subsequent to the execution of this Agreement, purchases or receives any interest in the subject property, shall be bound by the terms and conditions of this Agreement and shall execute any and all documents required by the City.
10. All conditions and restrictions of this Agreement shall be considered and construed as restrictions running with the land, and shall bind all successors, assigns and persons claiming ownership of all or any portion of the subject property for a period of seven (7) years from the date a Note and Mortgage are recorded, after which time, they shall be released by the City.
11. The Owner and Contractor will not voluntarily create or permit, suffer to be created or to exist on or against the subject property or any part, any lien superior to the City's interest, and will keep and maintain the property from the claim of all parties supplying labor or materials which will enter into the construction or installation of improvements.

12. If the Owner terminates or cancels the services of the Contractor, and the Contractor is not in default of this Agreement, the Contractor shall be compensated for labor and material expenses incurred up to the date of cancellation, plus normal profit and overhead, the total sum of which shall not exceed 20% of the labor and materials' cost. As a condition of payment, Contractor shall submit verifiable written documentation of labor and materials expenses to the City. The Contractor shall be compensated from the funds provided to this Project. The Contractor shall not seek any relief or file any claim against the City should such termination or cancellation by the Owner occur.
13. In the event the Owner or Contractor prevent the City from inspecting the Project for purposes of assuring compliance with this Agreement or with the Contract Documents, or prevents the City from complying with federal, state or local laws, the City shall be entitled to immediately terminate this Agreement, retain all funds, seek reimbursement for any funds distributed for the Project or obtain other relief as permitted by the Agreement. Further, action by the Owner or Contractor to prevent or deny the City's inspection of the project will constitute a default of this Agreement, and the City shall be entitled to exercise any and all remedies at law or equity.
14. The City may seek civil action and penalties including court costs, attorneys' fees and reasonable administrative expenses should Owner or Contractor fail to comply with the foregoing covenants and restrictions.
15. The City may, periodically, inspect the real property for the purpose of assuring compliance with this Agreement.
16. Owner shall not release or amend this Agreement without the prior written consent of the City.
17. Payment to the Contractor for the Project shall be made as described in Exhibit "B". After payment is made to the Contractor by the City, the City shall be automatically discharged from any and all obligations, liabilities and commitments to Owner, Contractor or any third person or entity.
18. The City desires to enter into this Agreement only if by so doing the City can place a limit on its liability for any cause of action arising out of this Agreement, so that its liability never exceeds its monetary commitment of **\$24,150.00**. Owner and Contractor express their willingness to enter into this Agreement with recovery from the City for any action arising out of this Agreement to be limited to the total amount of its monetary commitment of **\$24,150.00**. Nothing contained in this paragraph or elsewhere in this Agreement is in any way intended to be a waiver of the limitation placed on the City's liability as set forth in Chapter 768, Florida Statutes. Additionally, the City does not waive sovereign immunity, and no claim or award against the City shall include attorney's fees, investigative costs or pre-judgment interest.

19. Owner and Contractor shall hold harmless, indemnify and defend the City, its officers and employees from any and all obligations, liabilities, actions, claims, causes of action, suits or demands arising or accruing by virtue of this Agreement.
20. Owner and Contractor shall not assign, sublease, or transfer any interest in this Agreement.
21. In the event of a default, the City may mail to Owner or Contractor a notice of default. If the default is not fully and satisfactorily cured in the City's sole discretion within thirty (30) calendar days of the mailing of the notice of default, the City may cancel and terminate this Agreement without liability to any other party to this Agreement. In addition, the City shall determine the amount of compensation to be paid to the Contractor for the work completed up to the time of termination. Contractor shall be responsible for all repairs and replacement of all work to the City's satisfaction.
22. In the event of a default, the City shall additionally be entitled to bring any and all legal and/or equitable actions in Miami-Dade County, Florida, in order to enforce the City's right and remedies against the defaulting party. The City shall be entitled to recover all costs of such actions including a reasonable attorney's fee, at trial and appellate levels, to the extent allowed by law.
23. A default shall include but not be limited to the following acts or events of an Owner, Contractor or their agents, servants, employees or subcontractors:
  - a. Failure by the Contractor to (i) commence work within thirty (30) days from the date of this Agreement, or (ii) diligently pursue construction and timely complete the project by securing a Final Certificate of Completion within two (2) months from the date of this Agreement, or (iii) provide the documentation required to make the final payment within thirty (30) days from the date when a Final Certificate of Completion is issued.

Work shall be considered to have commenced and be in active progress when, in the opinion of the City a full complement of workmen and equipment are present at the site to diligently incorporate materials and equipment in accordance with the project throughout the day on each full working day, weather permitting.
  - b. Failure by the Contractor to comply with any applicable building, fire, life safety, housing or zoning law, rule, regulation or code.
  - c. Failure by Owner to comply with the terms and conditions of the Note, Mortgage or other document executed in connection with the Program, or the Owner's provision of false, fictitious or fraudulent statements to obtain SHIP funding.

- d. Insolvency or bankruptcy by the Owner or the Contractor.
  - e. Failure by the Contractor to maintain the insurance required by the City.
  - f. Failure by the Contractor to correct defects within a reasonable time as decided in the sole discretion of the City.
24. If Owner defaults this Agreement by insolvency or bankruptcy, the following shall apply:
- a. Should this Agreement be entered into and fully executed by the Parties, funds released and the Debtor files for bankruptcy, the following shall occur:
    - 1. In the event the Owner files a voluntary petition under 11 U.S.C. 301 or 302, or an order for relief is entered under 11 U.S.C. 303, the Owner or Contractor shall acknowledge the extent, validity, and priority of the lien recorded in favor of the City. The Owner further agrees that in the event of this default, the City shall, at its option, be entitled to seek relief from the automatic stay provisions in effect pursuant to 11 U.S.C. 362. The City shall be entitled to relief from the automatic stay pursuant to 11 U.S.C. 362(d)(1) or (d)(2), and the Owner agrees to waive the notice provisions in effect pursuant to 11 U.S.C. 362 and any applicable Local Rules of the United States Bankruptcy Court. The Owner acknowledges that such waiver is done knowingly and voluntarily.
    - 2. Alternatively, in the event the City does not seek stay relief, or if stay relief is denied, the City shall be entitled to monthly adequate protection payments within the meaning of 11 U.S.C. 361. The monthly adequate protection payments shall each be in an amount determined in accordance with the Note and Mortgage executed by the Owner in favor of the City.
    - 3. In the event the Owner files for bankruptcy under Chapter 13 of Title 11, United States Code, in addition to the foregoing provisions, the Owner agree to cure any amounts in arrears over a period not to exceed twenty-four (24) months from the date of the confirmation order, and such payments shall be made in addition to the regular monthly payments required by the Note and Mortgage, if applicable. Additionally, the Owner shall agree that the City is oversecured and, therefore, entitled to interest and attorneys fees pursuant to 11 U.S.C. 506(b).

Such fees shall be allowed and payable as an administrative expense. Further, in the event the Owner has less than five (5) years of payments remaining on the Note, the Owner agrees that the treatment afforded to the claim of the City under any confirmed plan of reorganization shall provide that the remaining payments shall be satisfied in accordance with the Note, and that the remaining payments or claim shall not be extended or amortized over a longer period than the time remaining under the Note.

- b. Should this Agreement be entered into and fully executed by the Parties, and the funds have not been forwarded to Owner or Contractor, the following shall occur:

In the event the Owner files a voluntary petition pursuant to 11 U.S.C. 301 or 302, or an order for relief is entered under 11 U.S.C. 303, the Owner acknowledges that the commencement of a bankruptcy proceeding constitutes an event of default under the terms of this Agreement. Further, the Owner acknowledges that this Agreement constitutes an executory contract within the meaning of 11 U.S.C. 365. The Owner acknowledges that the Agreement is not capable of being assumed pursuant to 11 U.S.C. 365(c)(2), unless the City expressly consents in writing to the assumption. In the event the City consents to the assumption, the Owner agrees to file a motion to assume the Agreement within ten (10) days after their receipt of written consent from the City, regardless of whether the bankruptcy proceeding is pending under Chapter 7, 11, or 13 of Title 11 of the United States Code. The Owner further acknowledges that this Agreement is not capable of being assigned pursuant to 11 U.S.C. 365(b)(1).

- c. Should the Parties wish to execute the Agreement after the Owner has filed for bankruptcy, the following shall occur:

1. The Owner agrees that in the event they are current Debtors in bankruptcy, at the request of the City, the Owner shall file a motion for authorization to obtain post-petition financing pursuant to 11 U.S.C. 364(d)(1). The Owner further agrees that any funds loaned by the City shall be secured by a lien on the real property first in priority and ahead of any other existing lien(s), unless otherwise agreed to in writing by the City.
2. In the event of default, the City shall be entitled to pursue any and all available legal and equitable remedies, including, but not limited to, those remedies provided herein.

25. If Contractor defaults under this Agreement, by way of insolvency or bankruptcy, the following shall apply:

Should this Agreement be entered into and fully executed by the Parties, funds released and the Contractor files for bankruptcy, the following shall occur:

- a. In the event the Contractor files a voluntary petition pursuant to 11 U.S.C. § 301, or an order for relief is entered under 11 U.S.C. § 303, the Contractor acknowledges that the commencement of a bankruptcy proceeding constitutes an event of default under the terms of this Agreement. Further, the Contractor

acknowledges that this Agreement constitutes an executory contract within the meaning of 11 U.S.C. § 365.

The Contractor agrees to file a motion to assume the Agreement within fifteen (15) days after a voluntary petition is filed pursuant to 11 U.S.C. § 301, or within five (5) days following the entry of an order for relief under 11 U.S.C. § 303. The City expressly reserves the right to oppose any motion to assume the Agreement filed by the Contractor under the provisions of this subparagraph. In the event the Contractor does not voluntarily assume the Agreement, or, in the event the United States Bankruptcy Court does not authorize the Contractor's assumption of this Agreement, the Contractor acknowledges and agrees that the City may assert a valid claim of recoupment, thereby being entitled to recoup any damages suffered as a result of the Contractor's breach of this Agreement either by failing to voluntarily assume the Agreement, or, as a result of the entry of an order by the United States Bankruptcy Court prohibiting such assignment, against any monies which may be owed by the City to Contractor under the terms of the Agreement.

- b. In the event the Contractor is authorized to assume this Agreement, the Contractor acknowledges and agrees that it shall be obligated to cure any and all existing defaults upon the entry of an order by the United States Bankruptcy Court authorizing its assumption of this Agreement. Furthermore, the Contractor shall be obligated to provide adequate assurance of future performance including, but not limited to, adequate assurances that the Contractor shall complete the project contemplated by the Agreement within the time frame provided and agreed upon by the Parties under the terms and conditions of this Agreement.
- c. In the event that the Owner defaults under this Agreement by insolvency or bankruptcy, either by filing a voluntary petition under 11 U.S.C. §§ 301 or 302, or an order for relief is entered under 11 U.S.C. § 303, Contractor fully understands, acknowledges and agrees to be fully bound by the provisions contained in Paragraph 24 (a)(1), (a)(2), (a)(3), (b) and/or (c), in the event Contractor files a voluntary petition under 11 U.S.C. § 301, or an order for relief is entered under 11 U.S.C. § 303. The Contractor further acknowledges and agrees that, in the event the City is not obligated to perform under the terms and conditions of this Agreement, as a result of the Owner defaulting under this Agreement by insolvency or bankruptcy, by filing a voluntary petition under 11 U.S.C. § 301 or 302, or an order for relief is entered under 11 U.S.C. § 303, the City shall be entitled to assert any defenses to which it may avail itself against the Owner, against the Contractor including, but limited to, any claim or right of recoupment.

- 26. This Agreement shall be governed by the laws of Florida, and venue shall be in Miami-Dade County, Florida.

27. The Owner and Contractor shall comply with all applicable uniform administrative requirements as described in Chapter 420, Florida Statutes, and Chapter 67-37, Florida Administrative Code.
28. Notices and Demands: All notices, demands, correspondence and communications between the Parties shall be deemed sufficiently given under the terms of this Agreement if dispatched by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

If to the City: City of North Miami  
776 N.E. 125<sup>th</sup> Street  
North Miami, Florida 33161  
Attn: Director, Community Planning & Development

With a copy to: City of North Miami  
776 N.E. 125<sup>th</sup> Street  
North Miami, Florida 33161  
Attn: City Attorney

If to Contractor: Solutions Capital Group, Inc  
Viler P. Cherisol (Registered Agent)  
666 NE 125<sup>th</sup> Street, #243  
North Miami, Florida 33161

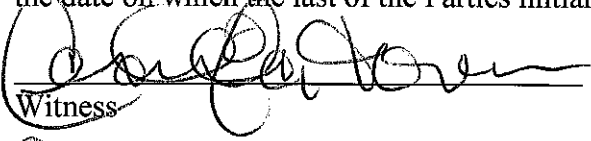
If to Owner: Ana C. Duran and Flora Gutkin  
85 N.W. 123<sup>rd</sup> Street  
North Miami, FL 33168

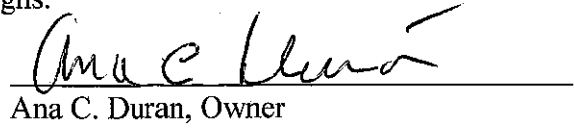
or to such address and to the attention of such other person as the Parties may from time to time designate by written notice to the others.

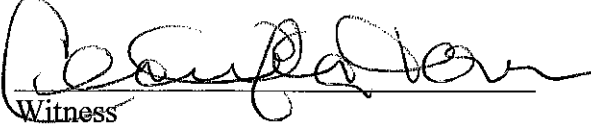
29. It is understood and agreed that all parties, personal representatives, executors, successors and assigns are bound by the terms, conditions and covenants of this Agreement.
30. Any amendments, alterations or modifications to this Agreement will be valid only when they have been reduced to writing and signed by the Parties.
31. No waiver or breach of any provision of this Agreement shall constitute a waiver of any subsequent breach of the same or any other provision, and no waiver shall be effective unless made in writing.
32. Should any provision, paragraphs, sentences, words or phrases contained in the Agreement be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Florida, such provisions, paragraphs, sentences, words or phrases shall be deemed modified to the extent necessary in order to conform with such laws; or, if not modifiable to conform with such laws, then same shall be deemed severable, and in either event the remaining terms and provisions of this Agreement shall remain unmodified and in full force and effect.

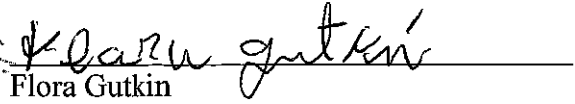


**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed on the date on which the last of the Parties initials or signs.

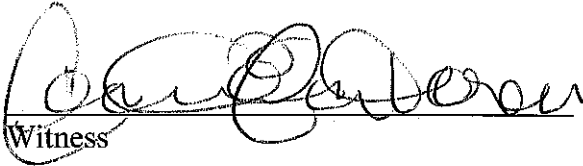
  
Witness

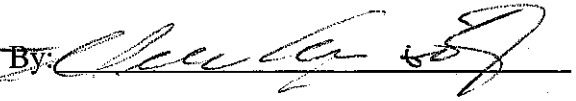
  
Ana C. Duran, Owner

  
Witness

  
Flora Gutkin

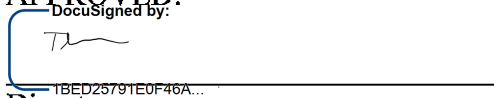
**CONTRACTOR:**

  
Witness

By: 

Date: 06/13/14

**APPROVED:**

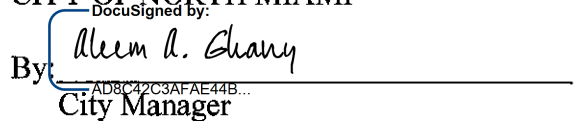
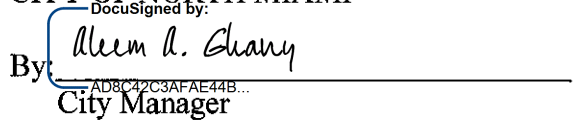
  
DocuSigned by: TBED2579TE0F46A...

Director  
Community Planning & Development Dept.

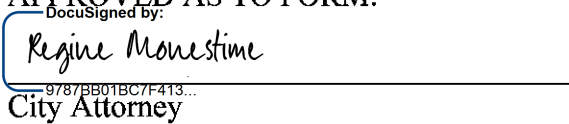
**ATTEST:**

  
DocuSigned by: 2C7010872EE8414...  
City Clerk

**CITY OF NORTH MIAMI**

  
DocuSigned by: AD8C42C3AF4E44B...  
By:   
City Manager

**APPROVED AS TO FORM:**

  
DocuSigned by: 97878B01BC7F413...  
City Attorney

**Exhibit A****SCOPE OF SERVICES**

OWNER and CONTRACTOR agree to undertake the following repairs:

**EXTERIOR**
**01) FLAT ROOF MODIFIED BITUMEN**
**\$ 3,900.00**

Remove all existing roofing covering, underlayment, and flashings to bare sheathing. Remove all protruding nails or staples. Sweep sheathing clean of all foreign materials and haul away all roofing debris from property at once. Replace all rotten, damaged, and missing sheathing and rafters as per Roof-General Specifications and paint to match existing. Furnish and install new underlayment mechanically fastened to the deck, two layers of fiberglass ply sheet, solid mopped with hot asphalt and one layer of Modified Bitumen solid mopped with hot asphalt. Where required, install new 3 inches (minimum) galvanized steel drip edge, galvanized steel valley, return/wall flashing, lead stacks on all plumbing projections, pitch pan at electrical service mast, and new roof jacks. Upon completion of work, Contractor will provide Homeowner with manufacturer's warranty and Contractor's five-year warranty against leaks.

- **NOTE: OVER THE LIVING AREA, 1" ISOCYANURATE INSULATION BOARD IS REQUIRED AT FLAT PORTION OF ROOF (MECHANICALLY FASTEN). INSTALL AN INSULATION STOP ON THE ROOF PERIMETER. INSPECTION DOCUMENTATION REQUIRED.**

There can be no pooling water. Use tapered insulation and/or build up low areas, if required to prevent pooling.

**02) REPLACE FASCIA**
**\$ 350.00**

Remove fascia as needed and haul away all debris from property at once. Furnish and install new 1"x2" pressure treated furring as required by FBC. Fascia replacement shall be with matching size and material. Outside corner shall be mitered and all fascias shall be secured with non-corrosive nails. Minimum length of any fascia segment shall be 5 feet. Remove all attachments to the fascia, as required, and reattached, after the fascia replacement. Discuss with the Homeowner, prior to removal any variation.

- Apply one coat of LOW VOC primer/sealer and two coats of 100% LOW VOC exterior paint. Material allowance for paint must be mid grade or better.

**03) REPLACE SOFFIT AND SOFFIT VENTS**
**\$ 350.00**

Remove all soffit; including all soffit vents as needed. Haul away all debris from property at once. Soffit and vents replacement shall be with matching size and material. Secure all soffit with non-corrosive nails. Minimum length of any soffit segment shall be 5 feet. Remove all attachments to soffit, as required, and reattached after soffit replacement.

- Apply one coat of LOW VOC primer/sealer and two coats of 100% LOW VOC exterior paint. Material allowance for paint must be mid grade or better.

**04) INSTALL NEW GUTTER & DOWNSPOUT**
**\$ 1,200.00**

Install new 6" seamless metal gutter and downspout system (on the eaves of the entire house). The Homeowner will select color from standard stock colors. Install new 24" concrete splash blocks at downspouts, discharging the water away from any foundation.

**05) INSTALL EXTERIOR DOOR- COMPLETE****\$ 2,200.00****NUMBER OF DOOR OPENINGS 4**

Remove existing doors, jamb, casing, threshold, and haul these materials/debris away. Modify opening to accept standard size door as needed. Replace wood buck, if deteriorated or necessary, set buck in premium silicone sealant. Countersink all fasteners into frame; fill with wood putty and sand smooth. Repair all damaged and adjacent surfaces inside and out, caused by door removal and modifications, restoring to original condition. The door and its components shall be installed in strict compliance with the Florida Building Code product approval (or Miami/Dade NOA).

- Furnish and install new out-swing impact resistant six panels steel exterior door complete with jamb, casing, brick molding. Doors must be 1-3/4 inch solid core door.
- Install panoramic peephole, aluminum weather-stripping saddle, weather-stripping and spring/chain stop or doorstop. Install tamper proof hinges.
- The doorknob should be an entry-type, which can be locked by turn button inside or a key outside. Deadbolt will have turn piece inside and keyed to knob outside. The doorknob and deadbolt shall be keyed alike. Install the same doorknob and deadbolt as outlined in the product approval.

**06) INSTALL ACCORDION HURRICANE SHUTTERS****\$ 4,500.00****OPENINGS: 7****Remove and haul away all awnings.**

Install new aluminum accordion storm shutters to match existing. The shutters and its components shall be installed in strict compliance with the Florida Building Code product approval (or Miami/Dade NOA). The shutters shall to be permanently attached. Homeowner and/or Homeowner Association will select the color of the new shutters. Remove all previously installed shutters, awnings and attachment hardware including makeshift shutters. Repair adjacent surfaces to match existing.

- All exposed anchoring screws shall be the same color as the frame or concealed.
- Relocate required electrical items and gutters/downspouts, to accommodate the shutters installation.

**07) EXTERIOR PRESSURE CLEANING****\$ 300.00**

Furnish equipment and labor to pressure clean, (with minimum 3,000 p.s.i.) all exterior siding, masonry/stucco and wood wall and ceiling surfaces, security bars, awnings, railings, pipes, doors, columns, slabs, walkway (including public walkway in front of the house) and any exposed concrete area. Remove alga, mold and mildew. Upon completion, all surfaces must be free of chalking, peeling, flaking, rust, mold and mildew. **NOTE: Contractor is responsible for protecting all flowers, shrubs, hedges, trees and ornamentals on site while pressure cleaning is being performed. Call Housing Inspector for inspection.**

**08) PAINT EXTERIOR SURFACE OF HOUSE AND PROVIDE THE MANUFACTURE EXTERIOR WARRANTY****\$ 2,950.00**

Remove dry, shrunken deteriorated caulk. Cut away old gasket and/or sealants as needed. Remove existing caulk from all windows and doors. Clean all joint surfaces and prepare surfaces to receive new sealants. Install backer rods as necessary prior to caulking. Prime all joints as necessary. Apply and tool ZERO OR LOW VOC sealant to required configurations. Prepare surface, prime and paint. Tint the primer to the color selection. Paint all previous painted surfaces including, eave drip, fascia, soffit, doors (six sides), patio ceiling (screened in or not), concrete slabs and walkways, security/decorative bars, railing and awnings. Use the right product for the surface painted. Apply finish coat(s), test paint to determine proper number of coats for coverage. Protect adjacent areas while painting. Homeowner will select a maximum of three colors. Call Housing Inspector prior to application of finish coat. **NOTE: contractor is responsible for protecting all flowers, shrubs, hedges, trees and ornamentals on site while pressure cleaning is being performed. Additional paint shall left to Homeowner for future use.**

- Replace all loose and missing stucco siding. Repair the stucco siding with the same finish and thickness as the existing. Patch and seal cracks with elastomeric caulking material.
- Excessive bleeding in wood members must be spot primed before application of first coat.
- Do not spray paint; roller and brush application only. All work must be free of runs, sags, defective brushing or rolling.
- Apply the proper mil-thickness of paint for moisture protection and warranty.
- Material allowance for paint must be mid-grade or better of the City approved brands, which are ZERO OR LOW VOC 100% acrylic products, i.e., **Sherwin Williams (Harmony) or an approved equal. Housing Inspector to verify brand and VOC level.**
- **Upon completion of the project, the contractor must provide a manufacture warranty (not the paint label warranty). The manufacture representative must inspect, approve and sign-off on the exterior painting.**
- Install approved address numbers; placed in a position to be plainly visible from the street fronting the property. The residential buildings the numbers shall be at least four inches tall and one-half inch wide.

## INTERIOR

### GENERAL PAINT SPECIFICATIONS

Unpainted materials require priming and two coats of paint. Tint the primer per color selection. Previous paint surface should receive two coats of paint. All stains should be spot-primed before painting. All paint must be mid-grade or better of the City approved brands, which are ZERO VOC products, i.e., Benjamin Moore (Aura or EcoSpec), Sherwin Williams (Harmony), Glidden /ICI (Life Master) PPG (Pure Performance), Olympic (Valspar). Housing Inspector shall verify brand and VOC level. Upon completion, contractor must provide Homeowner a list of all paint code numbers per rooms and locations, for later color matching.

### **01) BATHROOM TOTAL RENOVATION**

**\$ 6,900.00**

The intent of the following specifications, in this work item is to remove existing lead affected tiles in the bathroom per EPA rule and regulation to perform total renovation of the bathroom. Property has only one bathroom; please arrange to accommodate homeowner in the renovation process. Haul away all debris from property at once. Homeowner is to select tile colors and sizes. Budget \$3.00 per square foot for the field tile only, this does not include the appropriate trim and finishing materials.

- a) Completely removed and discarded faucet, sink, vanity, toilet, diverter, tub, drain assembly and all related components. Remove the medicine cabinet/mirrors, light fixtures, exhaust fan, and bath accessories. Inside and outside the shower area, completely remove all walls and ceiling materials (i.e., tile, drywall, plaster, etc.) down to the framing members. Remove the flooring material.
- b) Install new steel tub, fixtures and drain assembly.
  - Install new cement backer board to existing studs. Replace rotten wood and repair or reinforce damage-framing members before installing new wall surfaces. Install new ceramic tile shower enclosure to ceiling height, with thin set.
  - Install shut-off valves, if missing. Secure showerhead. There is no rear access panel, therefore the adjacent room wall may have to be removed and replaced to perform the repair work. Repair and paint damage walls during the removal.
  - Install a new showerhead and tub fixture. Controls and operating mechanisms will be operable with one hand and should not require tight grasping. Acceptable designs for the shower control fixture are lever-operated, push-type controlled mechanisms, pressure balanced, anti-scald type. Choose a model made by a reputable manufacturer.
  - Showerhead must be WaterSense labeled, using no more than 2.0 gallons of water per minute.
  - Install new two framed tempered glass bi-pass or hinged shower doors, Homeowner to select finish of trim and style of doors within a material budget of \$350. Apply a heavy bead of silicone caulk to the underside of the threshold. Do not attach shower doors threshold with screws or other fasteners that can puncture the tub.

- Within shower area, install a new ceramic towel bar and a soap dish per Homeowner selection. Outside shower area, install new polished chrome bath and/or ceramic bath accessories: towel bar, toothbrush and glass holder, paper holder, soap dish. Homeowner will select from standard stock.
- c) Install a new recessed medicine cabinet with plate glass mirror doors, same size as existing.
- d) Floor - install new ceramic floor tiles in thin-set mortar. Inspect sub-floor and make repairs that will assure it provides a solid, stable condition. The ceramic floor tile (non-slip) should be designed to meet ADA standards to prevent slipping and falls from occurring. Use the appropriate trim and finishing materials for a good tile installation, i.e., base tiles, bull nose tiles and doorway thresholds. Ensure consistent spacing between tiles. If required, apply grout sealer to the grout lines and tile sealer to seal porous tile. Check resulting floor height for smooth transitions to adjacent floor/room. Extension flange may be required for the toilet.
- e) Walls - Prepare the walls to receive tiled wainscot by installing new cement backer-board to existing studs. Replace the existing wall tiles with new ceramic tiles on the walls same height as the existing with mastic or thin set. Use the appropriate trim and finishing materials for a good tile installation, i.e., bull nose tiles.
  - Painting - Above the wainscot, install moisture resistant drywall and paint. Install regular drywall on the ceiling. Discuss (with Homeowner) any variations in new finish or type of new finish, prior to beginning the work. Paint surfaces, per the general paint specifications.
- f) Ceiling - Remove existing ceiling tiles and suspended grid system. **DO NOT REPLACE.** Patch ceiling areas where the grid system was attached and unfinished. Hide electrical conduit/wiring and rough areas. Provide a smooth ceiling finish.
- g) Install new vanity and sink/countertop. The new vanity and countertop shall have the same dimensions as the existing. Discuss the vanity cabinet storage amenities with Homeowner, as the Homeowner will select these amenities from standard stock.
  - The new vanity shall be plywood or solid wood including the doors, no particleboard. **CONTRACTOR is responsible for verifying all cabinetry material with Housing Inspector.**
  - The sink (cultured marble sink) shall be formed as an integral part of the countertop. Homeowner will select the color and style for the cabinet, and sink/countertop from standard stock colors.
  - New fixtures controls and operating mechanisms will be operable with one hand and should not require tight grasping, pinching, or twisting of the wrist. Choose a model made by a reputable manufacturer. Choose a model(s) made by a reputable manufacturer(s).
  - Install new supply tubes. Install new drain assembly for the sink. Install shut off valves.
  - Place escutcheon plates at all plumbing and electrical opening through the cabinet or wall.
- h) Install a new toilet with toilet seat. Discuss with the Homeowner, elongated or round toilet design and color for their selection of replacement. The toilet bowl height should stand at 17" or higher, ADA approved and wheelchair accessible. The new toilet must be listed in the U.S. Environmental Protection Agency's (EPA) WaterSense® program, which has the WaterSense label of approval for using no more than 1.28 gallons per flush. Install new supply tube(s), escutcheon(s) and shut off valve(s).
- i) Provide tamper proof GFCI Receptacle(s), in the bathroom.
- j) Install a horizontal strip light fixture above the mirror, operating on a separate switch. Homeowner will select the light fixtures within the budgeted amount of \$45.00; ENERGY STAR qualified and labeled accordingly.
- k) **Install a new bathroom exhaust ceiling fan with built-in light;** ENERGY STAR qualified and labeled accordingly. Install ductwork to the exterior. Both exhaust fan and the termination cap are to have built-in back draft dampers. Operate the fan by a separate delay timer switch. The exhaust fan should have a noise rating of 0.3-1.5 zone. Verify the cubic feet per minute (CFM) of air movement required for the new fan.
  - Wall and ceiling fans CFM calculations based upon the room size:
    - Cubic feet times .13 factor
    - CF x .13 = CFM



Provide verification of zone rating and CFM of air movement upon to the Housing Inspector. Patch any ceiling or roof opening relating to this work item. Homeowner will select the exhaust ceiling fan with built-in light within the budgeted amount of \$170.00 per fixture.

i) Remove existing interior door and frame. Replace 2x wood buck, if deteriorated or necessary. Within the same opening, install new same style interior wood door and frame having the same swing, as the existing door; paint or seal the door (6 sides) and frame. Install new hardware on door and frame. Bathroom door locks shall be designed to permit the opening of the locked door from the outside in an emergency. Install door casing, trim, stucco, paint, caulk, and/or tile on adjacent surfaces around door opening to match existing. In the shower, install two ADA approved grab bars (24" and 36" in lengths), horizontal placement, on the two (2) enclosure walls. The grabs must have escutcheons plates to conceal the anchoring. Reinforce the walls for the grab bars installation. See Homeowner for exact placement. Patch and repair any affected areas associated with this work item to match the existing adjacent surfaces

## **02) NORTHEAST BEDROOM - PATCH AND PAINT/REPAIR**

**\$ 1,500.00**

The intent of the following specification, in this work item, is to remove existing lead affected tile flooring and dispose of as per EPA rules and regulations. Provide labor and materials to remove lead affected tile in North East bedroom and dispose of as per EPA rules and regulations. Remove existing flooring and install new ceramic floor tiles in thin-set mortar. Inspect sub-floor and make repairs that will assure it provides a solid, stable condition. Use the appropriate trim and finishing materials for a good tile installation, i.e., base tiles, bull nose tiles and doorway thresholds. Ensure consistent spacing between tiles. If required, apply grout sealer to the grout lines and tile sealer to seal porous tile. Check resulting floor height for smooth transitions to adjacent floor/room. Homeowner is to select tile colors and sizes. Budget \$3.00 per square foot for floor tile, this does not include the appropriate trim and finishing materials.

- Install backer-board for ceramic tile.

## **03) Lead Base Paint Inspection**

**\$ 00.00**

Inspection conducted by AGC Environmental Consulting May 22, 2014. Cost is not considered in this agreement, however will apply to CDBG mortgage and Note recorded with Miami-Dade County Clerk of Courts.

## **Exhibit B**

### **Program Regulations**

All work shall be performed in accordance with applicable federal regulations, including, but not limited to Davis-Bacon Act, Contract Work Hours and Safety Standards Act and Copeland Act (Anti-Kickback Act).

All work shall be performed in accordance with the terms and conditions stipulated in the Agreement and all applicable plans and specifications. Change Orders to increase or decrease the dollar amount or which alter or deviate from the approved scope of work must be approved in writing by the City of North Miami prior to work being performed or Change Orders being undertaken/implemented. Any change in the scope of work which increases the costs of the contract is the Owner's responsibility.

Upon execution of this agreement, the property owner agrees and understands that a sign will be posted in the front of the property for the entire duration of this agreement. All projects will be subject to before and after photos and may be included in various local, state and federal reports, which are public records.

### **Commencing Work**

The Project shall begin only after a contract has been executed, a permit pulled, proof that a Notice to Commence has been filed, and submission of a Contractor's Certification, County-required affidavits, proof of required insurances and an up-to-date contractor's license and occupational license.

### **Method of Payment**

Program funds shall be disbursed to the Contractor as follows:

- a. All applications for payment must be accompanied by certified statements (i.e., releases of liens and affidavits from the general contractor, all sub-contractors and suppliers) showing that the property is free and clear of mechanics, materialmen's or any other type of liens or obligations relating to the construction of the project. Also, a copy of both sides of the permit and inspection record card must accompany each payment request. All funding entities must authorize payments.
- b. Program funds shall be paid upon compliance by the contractor with the following:
  1. Environmental Review
    - The National Environmental Policy Act (42 U.S.C. 4321, et seq.);
    - The Council on Environmental Quality Regulations (40 CFR Parts 1500 – 1508);
    - Environmental Review Procedures (24 CFR Part 58);
    - National Historic Preservation Act of 1966 (16 U.S.C. 470 et seq.);
    - National Flood Insurance Act of 1968 as amended by the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 et seq.)

2. Lead Based Paint
  - Lead Based Paint Poisoning Prevention Act (42 U.S.C. 4801, et seq.);
  - HUD Lead Based Paint Regulations (24 CFR Part 35).
3. Asbestos
  - Asbestos Regulations (40 CFR 61, Subpart M);
  - U.S. Department of Labor Occupational Health and Safety (OSHA) Asbestos Regulations (29 CFR 1910.1001).
4. Labor Standards
  - The Davis-Bacon Act (40 U.S.C. 276a) as amended;
  - The Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333);
  - Federal Labor Standards Provisions (29 CFR Part 5.5).

**Additionally, all parties agreed to comply with all existing federal, state and local laws and ordinances hereto applicable, as amended.**

When requesting a payment, **ALL** of the following documents must be submitted at the same time. If there are any documents missing, the payment request package will **NOT** be accepted.

- Contractor's Invoice
- Release of Liens (Painters, General Contractor & Subcontractors)
- Contractor's Payment Request
- Homeowner's Payment Authorization
- Subcontractor's List
- Contractor's Payment Request Worksheet
- Certificate of Completion (**submit only with final payment**)

Final payment shall be due and payable within **forty (45) calendar days** following completion of all terms of this contract and final inspection and acceptance of same by the Homeowner and the City of North Miami.